

**Introduced by Senator De León**

December 5, 2012

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An act relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 37, as introduced, De León. Energy efficiency and renewable energy upgrades: on-bill repayment program.

Under existing law the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable.

This bill would state the intent of the Legislature to enact an on-bill repayment program that will provide Californians greater access to energy efficiency and clean technology upgrades.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Despite existing programs, large numbers of Californians
- 4 currently do not have access to energy efficiency and clean
- 5 technology upgrades.
- 6 (b) Existing clean energy programs and incentives are important
- 7 but limited in that they are underfunded and reach only a small
- 8 number of Californians due to restrictions in income level, credit
- 9 score, project size, or commercial-only eligibility.

1 (c) Energy efficiency and clean technology upgrades currently  
2 have especially low penetration rate due to a split incentive between  
3 renter and landlord over the costs and benefits of such projects.

4 (d) California's current economic condition necessitates that  
5 the Legislature develop pioneering ways to create sustainable,  
6 green collar jobs.

7 (e) On-bill repayment is an innovative and pioneering concept  
8 that would provide affordable financing of energy efficiency and  
9 on-site clean generation technology upgrades by tying repayment  
10 of the loan obligation to the utility meter.

11 (f) By tying repayment to the utility bill, ratepayers would repay  
12 the loan on the same bill where savings are realized from the  
13 investment, creating a potential net bill neutrality or even a  
14 decrease in the ratepayer's bill as a result of the investment.

15 (g) On-bill repayment would be a unique clean energy incentive  
16 program because it would not rely on ratepayer or taxpayer funding  
17 and it would expand access to energy efficiency and clean  
18 technology upgrades.

19 (h) On-bill repayment would incentivize private investors to  
20 invest in California's clean energy improvements, would stimulate  
21 the state's economy by creating jobs for contractors and other  
22 persons who complete new energy improvements, and would  
23 reinforce the leadership role of the state in the new energy  
24 economy, thereby attracting clean energy manufacturing facilities  
25 and related jobs to the state.

26 (i) It is the intent of the Legislature to enact an on-bill repayment  
27 program that will provide Californians greater access to energy  
28 efficiency and clean technology upgrades.